

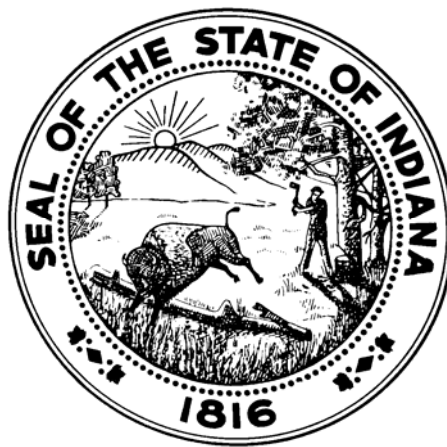
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STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

AUDIT REPORT
OF

CITY CLERK
CITY OF ELKHART
ELKHART COUNTY, INDIANA

January 1, 2006 to December 31, 2006



FILED
09/11/2007

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk	Sue M. Beadle	01-01-04 to 12-31-07
President of the Common Council	Brian A. Thomas Jerry L. Kindig	01-01-06 to 12-31-06 01-01-07 to 12-31-07
President of the Board of Public Works	James Beattie	01-01-06 to 12-31-07



STATE OF INDIANA

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STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

TO: THE OFFICIALS OF THE CITY OF ELKHART

We have audited the records of the City Clerk for the period from January 1, 2006 to December 31, 2006, and certify that the records and accountability for cash and other assets are satisfactory to the best of our knowledge and belief, except as stated in the Audit Result and Comment. The financial transactions of this office are reflected in the Annual Report of the City of Elkhart for the year 2006.

STATE BOARD OF ACCOUNTS

August 1, 2007

CITY CLERK
CITY OF ELKHART
AUDIT RESULT AND COMMENT

CONDITION OF RECORDS - CITY CLERK'S SUBSIDIARY TRUST AND CASH BOND REGISTERS

Financial records presented for audit of the City Clerk's trust and cash bond subsidiary registers do not reconcile to the cash book.

Report B26104 for the year 2004 and Report B27827 for the year 2005 indicated that the two registers were not in balance with the cash book.

At December 31, 2006, the trust register totaled \$5,473.46 less than the cash book and the cash bond register totaled \$1,113.05 higher than the cash available in the cash book.

In May 2005, one bank account was closed and \$15,863.06 of old unidentified partial payments were transferred to the trust register. Accounts over five years old should be sent to the Attorney General's fund for unclaimed property of the State of Indiana.

All items that can be legally disbursed should be paid immediately to the person or persons entitled thereto. All fees and funds five or more years old, including old outstanding checks, should be scheduled on forms provided by the Attorney General and paid over to the Attorney General as required by IC 32-34-1-20(c)(7). Items should not be allowed to accumulate beyond the five year anniversary date. (Accounting and Uniform Compliance Guidelines Manual for City Courts, Chapter 4, Page 10)

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

CITY CLERK
CITY OF ELKHART
EXIT CONFERENCE

The contents of this report were discussed on August 1, 2007, with Sue M. Beadle, Clerk. The official response has been made a part of this report and may be found on page 6.



The city with a heart

July 12, 2007

Indiana State Board of Accounts

Lady and Gentlemen:

Please consider this letter to be a response to your recent examination of the financial records regarding Elkhart City Court.

Extensive research and new procedures instituted this past Spring and Summer (2007) have tightened controls of the supporting documentation of the trust and cash bond ledger books in anticipation of computerizing those registers. We believe there will be less chance of misinterpretation of amounts if the element of handwriting those entries becomes obsolete. Also, we have eliminated check writing authorization for the cashier making the Clerk and 1st Deputy Clerk the only staff authorized to write checks. Page and line numbers are noted on the checks as an additional audit trail.

Our unclaimed funds report is now being brought up to date and is being filed electronically with the Attorney General.

Any further suggestions you may have will be welcome.

Sincerely,

Sue M. Beadle

David L. Miller
Mayor

Sue M. Beadle
City Clerk CMC

City Clerk's Office

Municipal Building
229 S. Second Street
Elkhart, Indiana 46516

Phone 574.522.5272
Fax 574.296.9811